

BEFORE
THE PUBLIC SERVICE COMMISSION OF
SOUTH CAROLINA
DOCKET NOS. 2017-2-E and 2018-2-E

In re: Annual Review of Base
Rates for Fuel Costs for South
Carolina Electric & Gas Company

**CCL AND SACE’S PETITION TO
RECONSIDER**

Pursuant to S.C. Code Ann. § 58-5-330 and S.C. Code Ann. Regs. 103-825 and 854, Intervenor South Carolina Coastal Conservation League and Southern Alliance for Clean Energy respectfully petition the Commission to reconsider the directive issued on April 5, 2018 related to CCL and SACE’s Petition for an Order Requiring South Carolina Electric and Gas Company to Comply with Commission Order No. 2018-55 (“original petition”).

CCL and SACE filed the original petition on March 21, 2018. Solar Business Alliance, Inc. filed a letter of support on March 27, 2018, and Office of Regulatory Staff filed an answer supporting the petition on April 2, 2018. SCE&G filed an Answer and Motion to Dismiss on April 2. Hearing Officer Butler issued a directive granting SCE&G’s Motion to Dismiss on April 5, 2018.

CCL and SACE appreciate the Commission and Hearing Officer’s expedited consideration of the original petition and submit this petition to reconsider in order to clarify the relief sought in the original petition and to respectfully request reconsideration.

In its Motion to Dismiss, SCE&G portrayed CCL and SACE's original petition as requesting that the semi-annual PR-2 update be filed in 2018-2-E *in lieu of* SCE&G's newly proposed rates reflecting methodology changes. What CCL and SACE actually sought was for SCE&G to file the semi-annual PR-2 updates (without changing the underlying methodology) *in addition to* SCE&G's newly proposed rates with its proposed methodology changes. The reason for this request was to provide much-needed transparency and a comparison between the avoided cost rates with and without SCE&G's newly proposed methodology changes.

In both the original petition and in CCL and SACE's January 16 Response to SCE&G's Request for a Waiver of Commission Order 2017-246, CCL and SACE made this request: that SCE&G file its semi-annual updated PR-2 rates *in addition to* its newly proposed rates with methodology changes. The Commission specifically referenced CCL and SACE's Response in Order 2018-55: "One point the Coastal Conservation League made in its response was a request to require SCE&G to put *that* proposed rate in its prefiled testimony in the fuel proceeding, and I agree that we ought to require SCE&G to do that." (Emphasis added). CCL and SACE's understanding of this directive is that it required SCE&G to file not just the newly proposed rates with methodology changes, but also the semi-annual PR-2 update (without changing the underlying methodology), since this is what CCL and SACE referenced and requested as relief in their Response.

CCL and SACE respectfully submit that the alternative interpretation put forward by SCE&G renders pointless the Commission's directive in Order 2018-55.

According to SCE&G, the Commission directed it to file updated PR-2 rates reflecting any underlying methodology changes in its 2018-2-E testimony. But SCE&G

would have done that without additional directive from the Commission, and SCE&G stated that plan in its waiver request to the Commission. What was not clear from SCE&G's waiver request was whether the Company would *also* testify to its semi-annual PR-2 updated rates *without* making changes to the underlying methodology. *This* is the requirement imposed by Commission Order 2018-55 as CCL and SACE understood it. It is likely that the PR-2 semi-annual updated rates *without* methodology changes would reflect solar power avoiding greater energy and capacity costs than SCE&G's newly proposed rates *with* methodology changes. The PSC's directive would allow it to see the difference between those two values. As a practical matter the difference could drive whether competitively developed renewable energy is deployed versus utility-built fossil fuel plants going forward. The parties in Docket No. 2018-2-E and the Commission should be provided with these contrasting rates to help inform the decision of whether to approve the newly proposed rates with methodology changes in 2018-2-E.¹

WHEREFORE, Intervenors respectfully request that the Commission reconsider its Petition for an Order Requiring South Carolina Electric and Gas Company to Comply with Commission Order No. 2018-55 and SCE&G's Motion to Dismiss. CCL and SACE request that the Commission issue an order requiring SCE&G to comply with Order 2018-55 by filing an updated PR-2 rate based on the previously approved methodology (for comparison to the newly proposed rates); that the Commission grant parties in Docket 2018-2-E the right to file supplemental testimony related to SCE&G's filing once it has been made; that the Commission expedite its consideration of this petition in light

¹ In its Motion to Dismiss, SCE&G pointed to a data response in which it provided the semi-annual update to avoided energy costs. Yet the motion is silent on updated avoided *capacity* costs, which SCE&G proposes to *eliminate* going forward. Moreover, the Commission's directive in Order 2018-55 was to file the semi-annual update in testimony, not to provide it only through discovery.

of its impact on issues currently being considered in Docket 2018-2-E, which is set for hearing on April 10, 2018; and that the Commission order any other appropriate action the Commission may deem necessary.

Respectfully submitted this 6th day of April, 2018.

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CERTIFICATE OF SERVICE

I hereby certify that the parties listed below have been served via electronic mail with a copy of the Petition to Reconsider of the South Carolina Coastal Conservation League and Southern Alliance for Clean Energy.

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This 6th day of April, 2018.

s/ Anna M. Crowder